

Message Text

UNCLASSIFIED

PAGE 01 MADRID 00352 01 OF 02 201346Z

46

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 USIA-15 RSC-01 /036 W

----- 094443

R 201225Z JAN 75

FM AMEMBASSY MADRID

TO SECSTATE WASHDC 858

INFO AMCONSUL BARCELONA

AMCONSUL BILBAO

UNCLAS SECTION 1 OF 2 MADRID 0352

E.O. 11652: N/A

TAGS: BEXP, SP

SUBJ: FY 76 COUNTRY COMMERCIAL PROGRAM (CCP)

REF: DEPT A-9016, DEC 6,1974

THERE FOLLOWS RECOMMENDED FY 76 CCP FOR SPAIN AS REQUESTED
BY REFAIR:

A. SECTION I OVERVIEW.

THE PRINCIPAL COMMERCIAL GOALS OF THE UNITED STATES IN SPAIN
ARE: A) TO IMPROVE THE U.S. SHARE OF THE IMPORT MARKET WHICH
HAS DECLINED FROM 17.3 PERCENT IN 1969 TO 15.3 PERCENT FOR THE
FIRST 11 MONTHS OF 1974; B) MAINTAIN AN OPEN CLIMATE FOR US
INVESTMENT; C) SEEK FURTHER LIBERALIZATION OF SPANISH TRADE
RESTRICTIONS, CONCENTRATING PRIMARILY ON THOSE DIRECTLY IMPEDING
U.S. EXPORTS; AND, D) WITHIN THE FRAMEWORK OF AVAILABLE RESOURCES
PROMOTE SPANISH TOURISM TO THE USA, ESPECIALLY AS REGARDS THE
FOREIGN BUYER PROGRAM: THIS REGARD, THE USIS PROGRAM FOR SPAIN
WILL INCLUDE A NUMBER OF PROJECTS SPECIFICALLY DESIGNED TO
PROMOTE SPANISH TOURISM TO THE U.S.

COMMERCIAL RELATIONS BETWEEN THE USA AND SPAIN CONTINUE
WELL WITHOUT MAJOR PROBLEMS. THE US REMAINS SPAIN'S LARGEST
SINGLE TRADE PARTNER. THE SPANISH GOVERNMENT CONTINUES TO
WELCOME FOREIGN INVESTMENT CAPITAL, FOR WHICH THE US HAS BEEN
THE LEADING SUPPLIER. SPAIN IS THE PROCESS OF RENEGOTIATING
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MADRID 00352 01 OF 02 201346Z

ITS PREFERENTIAL TRADE AGREEMENT WITH THE 9 MEMBER EEC AND USG

AGENCIES WILL CONTINUE TO EXERT EFFORTS TO ENSURE MINIMAL DISADVANTAGING TO U.S. PRODUCTS.

1973 WAS AN EXCELLENT YEAR OF ECONOMIC GROWTH FOR SPAIN AND PROVIDED IMPETUS FOR THE FIRST HALF OF 1974. REAL GROWTH IN 1974 IS EXPECTED TO BE BETWEEN 5-5.5 PERCENT COMPARED WITH OVER 8 PERCENT IN 1973. SIGNS OF ECONOMIC SLOWDOWN BEGAN TO APPEAR AT MID YEAR DUE TO THE OVERALL SLOWDOWN AMONG THE INDUSTRIAL NATIONS, REDUCED INTERNAL DEMAND, AND HIGHER RAW MATERIALS PRICES. DESPITE AN ADVERSE TRADE BALANCE IN 1974 OF ABOUT \$8 BILLION, AN INFALTION GROWTH OF ABOUT 18 PERCENT, A DECLINE IN TOURISM EARNINGS AND EMIGRANT REMITTANCES THE GOS DETERMINATION TO MAINTAIN FULL EMPLOYMENT SHOULD RESULT IN REAL GROWTH OF BETWEEN 3-4 PERCENT IN 1975. THIS OF COURSE, ASSUMES CONTINUING POLITICAL STABILITY IN SPAIN.

SPAIN'S PRINCIPAL ECONOMIC PROBLEMS DURING THE COMING YEAR WILL BE A WORSENING CURRENT ACCOUNT DEFICIT, A HIGH INFLATION RATE, GROWING UNEMPLOYMENT, PROBABLE CONTINUATION OF LABOR UNREST, AND , MOST IMPORTANT, A REDUCED RATE OF ECONOMIC GROWTH. SHOULD THE SPANISH BALANCE OF PAYMENTS PICTURE WORSEN, THE GOS MAY TURN TO INCREASING IMPORT RESTRAINT. SPAIN WITH TOTAL 1974 IMPORTS FROM THE US OF ABOUT \$2.3 BILLION (COMPARED WITH \$1.5 IN 1973 AND JUST A LITTLE OVER \$1 BILLION IN 1972) SHOULD, NEVERTHELESS, CONTINUE TO BE A LEADING MARKET FOR US GOODS. HOWEVER, GREATER EFFORTS WILL HAVE TO BE MADE TO FORESTALL FURTHER SLIPPAGE IN THE U.S. SHARE OF THIS MARKET.

B. SUMMARY OF PROGRAM ACTIVITIES (BASED UPON REVIEW OF FY 75 CCP):

1. PRODUCT CAMPAIGNS:'

(SECOND YEAR) 1.1 HEALTH CARE EQUIPMENT AND INSTRUMENTATION. OBJECTIVES AND ACTIVITIES: STIMULATE \$2 MILLION IN SALES AND INTRUDUCE 12 NEW TO MARKET FIRMS: 1) FEBRUARY 1976 TRADE MISSION TO MADRID AND BARCELONA; 2) ENCOURAGE SPANISH BUYERS/IMPORTERS TO VISIT APPROPRIATE USTC SHOWS IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, AND MAILING TO KEY FIRMS; 3) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS; UNCLASSIFIED

UNCLASSIFIED

PAGE 03 MADRID 00352 01 OF 02 201346Z

ADS, WTDERS, ETC.; 4) ENCOURAGE FOREIGN BUYER GROUPS TO ATTEND MAJOR US EXHIBITIONS IN THIS AREA; 5) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETINS, AND, AS AVAILABLE, APPROPRIATE FILMS AND VTR PROGRAMS ACQUIRED BY USIA/IMV.

1.2 POLLUTION CONTROL INSTRUMENTATION AND EQUIPMENT. OBJECTIVES AND ACTIVITIES: STIMULATE \$4 MILLION IN SALES AND INTRODUCE 15 NEW TO MARKET FIRMS: 1) NOVEMBER 1975

TRADE MISSION TO MADRID, BARCELONA, AND/OR BILBAO; 2) WITH COMMERCE APPROVAL, MISSION WILL SUPPORT A US EXHIBITION (TYPE TV) AT MUNICIPAL EQUIPMENT SALON OF THE VALENCIA INTERNATIONAL FAIR IN MAY 1976; 3) ENCOURAGE SPANISH BUYERS/IMPORTERS TO ATTEND LEADING US EXHIBITIONS, INCLUDING NOVEMBER 1975 ENERGY EXPO AND CONGRESS AT CHICAGO, THROUGH KEY CALLS, ARRANGING PUBLICITY, DIRECT MAILING, ETC.; 4) ENCOURAGE SPANISH BUYERS/IMPORTERS TO VISIT APPROPRIATE USTC EXHIBITIONS IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC.; 5) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS, ADS, WTDRS, ETC.; 6) IDENTIFY, REPORT ON, AND ASSIST IN AT LEAST ONE MAJOR PRODUCT TRADE OPPORTUNITY; 7) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETIN, AND, AS AVAILABLE, FILMS AND VTR PROGRAMS ACQUIRED BY USIA/IMV.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 MADRID 00352 02 OF 02 201402Z

46

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 USIA-15 RSC-01 /036 W

----- 094606

R 201225Z JAN 75

FM AMEMBASSY MADRID

TO SECSTATE WASHDC 859

INFO AMCONSUL BARCELONA

AMCONSUL BILBAO

UNCLAS SECTION 2 OF 2 MADRID 0352

1.3. ELECTRONICS INDUSTRY EQUIPMENT (SECOND YEAR).
OBJECTIVES AND ACTIVITIES: STIMULATE \$3 MILLION IN SALES AND INTRODUCE 25 NEW TO MARKET FIRMS: 1) ENCOURAGE SPANISH BUYERS/IMPORTERS TO ATTEND LEADING US EXHIBITIONS, ESPECIALLY THE MAY 1976 ELECTRO '76 SHOW AT BOSTON, THROUGH KEY CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC; 2) ENCOURAGE SPANISH BUYERS/IMPORTERS TO VISIT APPROPRIATE USTC AND COMMERCE SPONSORED EXHIBITIONS IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC; 3) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS, ADS, WTDRS, ETC.; 4) IDENTIFY, REPORT ON, AND ASSIST US FIRMS IN AT LEAST TWO MAJOR PRODUCT TRADE OPPORTUNITIES; 5) INDUSTRIAL OUTLOOK REPORT-ELECTRONICS; 6) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETIN.

1.4 COMPUTERS AND RELATED EQUIPMENT. (SECOND YEAR). OBJECTIVES AND ACTIVITIES: STIMULATE \$8 MILLION IN SALES AND INTRODUCE 10 NEW MARKET FIRMS: 1) COMPUTER AND PERIPHERALS TRADE MISSION, APRIL 1976; 2) ENCOURAGE SPANISH BUYERS/AGENTS TO ATTEND LEADING US EXHIBITIONS THROUGH KEY CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC.; 3) STIMULATE SPANISH BUYERS/AGENTS TO VISIT USTC AND COMMERCE-SPONSORED EXHIBITIONS IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC.; 4) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETIN, AND, AS AVAILABLE, FILMS AND VTR PROGRAMS AS ACQUIRED BY USIA/IMV; 5) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS, ADS, WTDRS, ETC.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MADRID 00352 02 OF 02 201402Z

1.5 METAL WORKING AND FINISHING EQUIPMENT. (SECOND YEAR). OBJECTIVES AND ACTIVITIES: STIMULATE \$4 MILLION IN SALES AND INTRODUCE 10 NEW TO MARKET FIRMS: 1) FOLLOW-UP ALL LEADS DEVELOPED BY TECHNICAL SALES SEMINAR HELD IN BILBAO, JUNE 1975; 2) TYPE IV EXHIBITION AT BILBAO INTERNATIONAL SAMPLES FAIR, JUNE 1976; 3) ENCOURAGE SPANISH BUYERS/IMPORTERS TO VISIT LEADING US EXHIBITIONS UNDER FOREIGN BUYERS PROGRAM THROUGH KEY CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC.; 4) ENCOURAGE SPANISH BUYERS/IMPORTERS TO VISIT APPROPRIATE USTC AND COMMERCE SPONSORED EXHIBITION IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, DIRECT MAILING, ETC.; 5) IDENTIFY AND REPORT ON THE MAJOR PRODUCT OPPORTUNITY; 6) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS, ADS, WTDRS, ETC.; 7) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETINS, AND, AS AVAILABLE, FILMS AND VTR PROGRAMS ACQUIRED BY USIA/IMV.

1.6 CONSUMER GOODS. (SECOND YEAR). OBJECTIVES AND ACTIVITIES: STIMULATE \$1 MILLION IN SALES AND INTRODUCE 10 NEW TO MARKET FIRMS: 1) RENDER EVERY LEGITIMATE SUPPORT TO IN-STORE PROMOTION TO BE UNDERTAKEN BY SEARS ROEBUCK OF SPAIN, IN SEPT, 1975, INCLUDING THE UTILIZATION OF USIS FILMS, PAMPHLETS, EXHIBITS AND OTHER PROGRAM RESOURCES TO AUGMENT PROMOTIONAL EFFORT; 2) FOLLOW UP LEADS UNCOVERED BY MARCH 1975 IN-STORE PROMOTION OF GALERIAS PRECIADOS; 3) ENCOURAGE SPANISH BUYERS/IMPORTERS TO VISIT LEADING US EXHIBITIONS, E.G. NATIONAL HARDWARE SHOW, CHICAGO, AUG 1975 AND NATIONAL SPORTING GOODS ASSOCIATION SHOW, CHICAGO, FEBRUARY 1976, THROUGH KEY CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC.; 4) STIMULATE SPANISH BUYERS/IMPORTERS TO VISIT APPROPRIATE USTC AND COMMERCE SPONSORED EXHIBITIONS IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, DIRECT MAILING, ETC.; 5) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS, ADS,

WTDR, ETC.; 6) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETINS, AND, AS AVAILABLE, FILMS AND VTR PROGRAMS ACQUIRED BY USIA/IMV.

1.7 MATERIALS HANDLING EQUIPMENT. (SECOND YEAR) OBJECTIVES AND ACTIVITIES: STIMULATE \$3 MILLION IN SALES AND INTRODUCE 5 NEW TO MARKET FIRMS: 1) STIMULATE SPANISH UNCLASSIFIED

UNCLASSIFIED

PAGE 03 MADRID 00352 02 OF 02 201402Z

BUYERS/ AGENTS TO VISIT LEADING US EXHIBITIONS THROUGH KEY CALLS, ARRANGING PUBLICITY, DIRECT MAILING, ETC.; 2) ENCOURAGE SPANISH BUYERS:AGENTS TO VISIT APPROPRIATE USTC AND COMMERCE SPONSORED EXHIBITIONS IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC; 3) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS, ADS, WTDRS, ETC.; 4) IDENTIFY AND REPORT ONE MAJOR PRODUCT OPPORTUNITY; 5) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETIN, AND, AS AVAILABLE. FILMS AND VTR PROGRAMS ACQUIRED BY USIA/IMV.

1.8 PRINTING/GRAPHIC ARTS EQUIPMENT. OBJECTIVES AND ACTIVITIES: STIMULATE \$5 MILLION IN SALES AND INTRODUCE 10 NEW TO MARKET FIRMS: 1) STIMULATE SPANISH BUYERS/ AGENTS TO VISIT APPROPRIATE MAJOR US EXHIBITIONS THROUGH KEY CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC.; 2) ENCOURAGE SPANISH BUYERS/ AGENTS TO VISIT USTC AND COMMERCE SPONSORED EXHIBITIONS IN EUROPE THROUGH BLUE RIBBON CALLS, ARRANGING PUBLICITY, DIRECT MAILINGS, ETC; 3) USIS PRESS RELEASES, "NEW PRODUCTS" BULLETINS, AND, AS AVAILABLE, FILMS AND VTR PROGRAMS ACQUIRED BY USIS/IMV; 4) NORMAL COMMERCIAL FUNCTIONS, E.G. TOPS, ADS, WTDRS, ETC., 5) IDENTIFY AND REPORT ON ONE MAJOR PRODUCT OPPORTUNITY.

1.9. MAJOR PROJECT/MAJOR TRADE OPPORTUNITIES. OBJECTIVES AND ACTIVITIES: SUBMIT 15 EARLY WARNINGS ON PROJECTS EACH INVOLVING \$5 MILLION OR MORE IN POTENTIAL EXPORTS OF U.S. GOODS AND SERVICES. THE ENTIRE STAFF OF THE MISSION WILL CONTINUE TO BE ALERT FOR PROJECTS.

C. ACTION REQUESTED: 1) THAT COMMERCE APPROVE AND FUND TYPE IV US EXHIBITION IN VALENCIA UNDER PRODUCT CAMPAIGN 1.2 POLLUTION CONTROL, 2) DUE TO THE DEPRESSED STATE OF SPAIN'S TEXTILE INDUSTRY, WE RECOMMEND THE SUBSTITUTION OF A TRADE MISSION UNDER PRODUCT CAMPAIGN 1.4 COMPUTERS AND PERIPHERALS IN PLACE OF TEXTILE MACHINERY AS LISTED IN STATE 185776, 8/23/74.

EATON

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 20 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975MADRID00352
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750021-0178
From: MADRID
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750137/aaaabgui.tel
Line Count: 272
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 DEPT A-9016, 75 DEC 6, 75 974
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 01 DEC 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 DEC 2003 by ThomasVJ>; APPROVED <30 DEC 2003 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FY 76 COUNTRY COMMERCIAL PROGRAM (CCP)
TAGS: BEXP, SP
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006